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South Africa - Republic of

FRESH DECIDUOUS FRUIT ANNUAL

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Report Highlights:
South Africa’s total deciduous production is forecast at 1,551,900 MT for marketing year 2009/10. For marketing year 2008/09, South Africa’s total deciduous fruit production is estimated at 1,424,818 MT. This represents a 4.3 percent increase compared to 2008 total production of 1,365,135 MT. Table grapes' total production shows a slight decline of 0.01 percent from 2007/08 to 2008/09. Apple production showed the largest percentage increase of 7.1 percent and pear production slightly increased by 2 percent compared to previous year's production.

Executive Summary:
South Africa’s total deciduous production is forecast at 1,551,900 MT for marketing year 2009/10. For marketing year 2008/09, South Africa’s total deciduous fruit production is estimated at

1,424,818 MT. This represents a 4.3 percent increase compared to 2008 total production of 1,365,135 MT.

The average prices for 2009 on fresh produce markets show that the prices of apples have slightly declined from R4,257 per ton to R4,197 per ton. Prices for pears and grapes have both increased; pears have increased from R3, 727 per ton to R3,988 per ton in 2009 while the price of grapes increased from R5,719 per ton in 2008 to R6,713 per ton in 2009.

Commodities:

Apples, Fresh

Pears, Fresh

Grapes, Table, Fresh

Production:

It is estimated that there are about 2,254 producers of fruit for fresh consumption in South Africa, comprising of 1,174 producers for stone fruit, 954 producers for dry and table grapes and 700 producers for pome fruit. South Africa producers grow fruit both for processing (canning/ drying) and for fresh consumption.

South African producers produce organic grapes for the U.S. market but the volumes for these grapes are always very small because of the production costs and distance to the market. Production of these grapes isn't more difficult in South Africa compared to other countries, but added difficulties arise from the lengthy transport time to the market. For instance, conventional grape packers can use sulpher pads and other permitted pre-harvest chemicals for preservation, but this isn't allowed for organic grapes. Generally, the production costs of organic grapes are about 30 percent more than the conventional equivalent.

	2007/08	**2008/09**	**2009/10**
	Marketing year beginning – Jan 2008	Marketing year beginning – Jan 2009	Marketing year beginning – Jan 2010
Apples	750,138	803,056	850,500
Pears	345,087	351,871	380,900
Grapes	269,910	269,891	320,500
Total	1,365,135	1,424,818	1,551,900

DAFF

Production estimates

Production estimates are very crucial to make good market decisions and in South Africa, before the season starts, producers and their associates estimate the amount and size of fruit they are going to pick and when will it be picked. This information is crucial for packaging companies and exporters who will book containers and space on ships. Once the season starts, the different marketing forums (producers, exporters, and service providers) monitor the actual amount of fruit coming in and compare this to the original estimates.

Phytosanitary issues

The false codling moth and Mediterranean fruit fly are the key pests of apples and pears in South Africa while the grapes are more susceptible to a chinch bug which hitchhikes but is not really a grape pest. The mediated mating disruption through Sterile Insect Release (SIR) has been investigated as a potential additional strategy to control these pests. An industry - owned service body called SIT Africa was created to plan, coordinate, and executes area-wide fruit fly control programs. This is done in collaboration with producers and local government in various production regions in partnership with the National Department of Agriculture, Forestry, and Fisheries. The programs are based on international best practice as contained in the SIT Technical Manual drafted in line with the requirements and conditions set by the International Atomic Energy Association (IAEA) and the Agricultural Research Council (ARC).

South African Pesticide Initiative Program (SA PIP) is co-funded by the European Commission and other stakeholders of the program, with the aim of assisting horticultural export producers in South Africa to comply with EU export requirements for food safety and consumer protection, particularly related to pesticide regulations to ensure continued access to the EU market for South African fruit and vegetables. The internet based MRL Info Hub for smaller exporting associations and the entire exporting companies has been established.

According to the work plan for USDA preclearance, apples and pears should be cold treated at 34℉ (1.11℃) or below for 14 days. This treatment is effective against know fruit fly species in South Africa, for more details visit [www.aphis.usda.gov/ppq/manuals - treatment manuals](http://www.aphis.usda.gov/ppq/manuals). For the export season of 2009, there were no rejections on apples and pears whilst there were rejections on grapes for Grain chinch bug, stinkbug, and fruit fly.

Carbon Footprint

The effects of the climate changes are predicted to have a deep impact on the fresh fruit export industry since the industry is a contributor towards greenhouse gas emissions that are causing global warming and climate change. The fruit industry is taking steps to conform to consumers' requests by complying with carbon footprint audits and is also involved in the project of carbon calculator.

Fruit industry electronic data flow

Traditionally, shipping and inspection data was manually recorded and channeled from pack house and exporters to the Perishable Product Export Control Board (PPECB). This method was tedious, time consuming, and took at least 14 days for the information to be available. This impacted on turn-around time for marketing decisions. Since 2007, the South African fruit industry embarked on an initiative to implement an electronic data flow system. The initiative is aimed at making information available to producers and exporters within a week after shipment.

Consumption

Local consumption of apples was 223,522 MT in 2008 and dropped to 181,382 MT in 2009. Sales on local markets decreased to R4, 197 per ton compared to last year's R4, 257 per ton.

Local pear consumption was 56,222 MT in 2008 and dropped to 48,225 MT in 2009. Sales on local markets increased to R3, 716 per ton compared to last year's R3, 078 per ton.

Local consumption of grapes was 43,974 MT in 2008 and dropped to 42,209 MT in 2009. Sales on local markets increased to R5,117 per ton compared to last year's R5,747 per ton. The decrease in all the fruit consumption can be attributed to the recession.

Trade

South Africa opted to make use of more container exports, rather than traditional specialized reefer methods and as a result more focus is placed on infrastructure and transportation development. This resulted in developments of rail and inland terminal/ station facilities.

Transshipment ports used en- route can pose challenges because Perishable Product Export Control Board (PPECB) gives instructions to carry from RSA and when transfer occurs, there are no instructions for the on-carrying leg. The other challenge with transshipment is shortage of plug in facilities to maintain the cold chain.

Total apples and pears exports to all markets - MT

	2008	2009 estimates	Percentage
Apples	331,105	314,441	5%
Pears	164,231	179,444	9%
Total	495,336	493,885	

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Apple shipment to different markets - MT

Market	Green Apples	Red Apples	Red Bi Coloured	Pink Bi-Coloured	Other	Total
Africa	23,433	3,813	2,259	652	28	30,185
Australia	20	0	0	0	0	20
Europe & Russia	30,465	4,629	4,312	6,122		45,528
Far East & Asia	23,052	13,113	15,115	2,181	129	53,590
Indian Ocean Island	3,127	2,581	1,653	407	5	7,773
Middle East	11,824	2,971	10.001	909	15	15,729
United Kingdom	44,472	12,377	39,704	16,285	19.8	112,818
USA & Canada	1,777	179		0	0	1,956
Total	138,170	36,663	63,053	26,556	197	267,599

OABS

Pear shipment to different market

Market	Blush Pears	Green Pears	Red Pears	Other	Total
Africa	25	1,093	0	3,225	4,343
Europe & Russia	23,570	94,083	0	5,762	123,415
Far East& Asia	1,009	11,412	11	0	12,432
Indian Ocean Island	0.108	1,852		0	1,852
Middle East	1,671	6,349	22	0	8,042
United Kingdom	6,523	25,984	0	0	32,507

USA & Canada	1,287	2,376	0	2	3,665
Total	34,085	143,149	33	8,989	186,256

OABS

Imports

South Africa is not a major importer of fresh deciduous fruit; however a South Africa - China Protocol identified table grapes as a potential market opportunity for China. There might be increase in grape imports due to this protocol.

	Jan Dec - 2008	Jan – July 2009
Pears	187 MT	0 MT
Apples	94 MT	0 MT
Grapes	1,501	294 MT

GTA

Policy

The National Department of Agriculture, Forestry, and Fisheries (DAFF) and the Perishable Product Export Control Board (PPECB) are the main institutions responsible for setting and controlling quality standards in South Africa for the export market. DAFF, in cooperation with USDA- APHIS, monitors orchards, packs houses, and inspection points. At inspection points USDA- APHIS inspectors look for quarantine pests such as fruit fly (larvae included) or False Coddling Moth. Once the entire product is on the ship, the hold is sealed and the cold treatment, which lasts for 22 days, begins while in transit to the United States. Previously the treatment was only 20 days but in early 2000 a false coddling moth was found alive after 20 days treatment, hence APHIS officials lengthen the process by 2 days.

Marketing

The South African deciduous fruit industry is highly developed and geared for the export of a large percentage of its production. Apples rank first, followed by table grapes, pears, peaches, plums, and apricots in the South African fresh fruit exports.

The current world recession had a significant effect on types of packaging used in packaging the deciduous fruit. In the past the UK market demanded grapes packed in 9kg cartons and served as a more favorable destination for South African exporters. However, higher demand and prices in the Northern European open market forced exporters to focus on 4.5 kg packaging for these markets. The exporters of grapes to the UK and Europe reported an increased demand as average households are opting for healthier and affordable diet.

Average price for deciduous on local markets

Fruit type	2007/08	2008/09
	R/ton	
Apples	4 257	4 197
Pears	3 727	3 988
Table grapes	5 719	6 713

DAFF

Production, Supply and Demand Data Statistics:

Apples , Fresh South Africa	2008			2009			2010		
	2008/2009			2009/20010			2010/2011		
	Market Year Begin: Jan 2008			Market Year Begin: Jan 2009			Market Year Begin: Jan 2010		
	USDA Official Data		Old Post	USDA Official Data		Old Post	USDA Official Data		Jan
			Data			Data			Data
Area planted	21,100	21,100	20,526	20,526	20,526	20,736			21,100
Area harvested	19,400	19,400	18,940	18,940	18,940	18,943			19,100
Bearing trees	21,000	21,000	18,733	18,733	18,733	18,942			20,100
Non Bearing trees	1,900	1,900	1,793	1,793	1,793	1,793			1,800
Total trees	22,900	22,900	20,526	20,526	20,526	20,736			21,900
Commercial production	700,000	700,000	710,172	710,172	710,172	748,699			750,100
Non - Commercial production	0	0	0	0	0	0			0
Production	700,000	700,000	750,138	710,172	750,138	803,056			900,100
Imports	0	0	94	94	94	0			0
Total supply	700,000	700,000	750,232	710,266	750,232	803,056			900,100
Fresh domestic consumption	210,000	210,000	223,522	181,382	223,522	183,102			300,000
Exports	300,000	300,000	358,554	314,441	358,554	331,105			350,900
For processing	190,000	190,000	209,092	214,443	209,092	234,492			249,200
Withdrawal from market	0	0	0	0	0	0			0
Total distribution	700,000	700,000	750,232	710,172	750,232	803,056			900,100
TS = TD									
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Pears , Fresh South Africa	2008			2009			2010		
	2008/2009			2009/20010			2010/2011		
	Market Year Begin: Jan 2008			Market Year Begin: Jan 2009			Market Year Begin: Jan 2010		
	USDA Official Data		Old Post	USDA Official Data		Old Post	USDA Official Data		Jan
			Data			Data			Data
Area planted	11,400	11,400	11,401	11,401	11,401	11,401			11,425
Area harvested	10,230	10,230	10,230	10,230	10,230	10,230			10,230
Bearing trees	12,400	12,400	10,325	10,325	10,325	10,325			12,400
Non Bearing trees	1,100	1,100	1,075	1,075	1,075	1,075			1,100
Total trees	13,500	13,500	11,400	11,400	11,400	11,400			13,494
Commercial production	366,385	366,385	345,731	345,731	345,731	345,731			370,000
Non - Commercial production	0	0	0	0	0	0			0
Production	366,385	366,385	345,087	351,871	345,087	351,871			360,000

Imports	0	0	187	187	187	187			197
Total supply	366,385	366,385	345,274	352,058	345,274	352,058			360,197
Fresh domestic consumption	55,459	55,459	56,222	48,225	56,222	57,141			59,997
Exports	168,506	168,506	165,913	175,401	165,913	175,401			175,800
For processing	142,420	142,420	123,139	131,136	123,139	119,516			124,400
Withdrawal from market	0	0	0	0	0	0			0
Total distribution	366,385	366,385	345,274	352,058	345,274	352,058			360,197
TS = TD									
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Grapes , Fresh South Africa	**2008**			**2009**			**2010**		
	2008/2009			**2009/20010**			**2010/2011**		
	Market Year Begin: Jan 2008			**Market Year Begin: Jan 2009**			**Market Year Begin: Jan 2010**		
	USDA Official Data		**Old Post**	**USDA Official Data**		**Old Post**	**USDA Official Data**		**Jan**
			Data			**Data**			**Data**
Area planted	23,500	23,107	23,300	26,292	23,292	26,292			27,200
Area harvested	19,900	19,900	20,400	21,034	20,400	21,034			21,760
Commercial production	266,000	269,910	272,000	269,891	272,000	269,891			27,800
Non - Commercial production	0	0	0	0	0	0			0
Production	266,000	269,910	272,000	269,891	272,000	269,891			270,800
Imports	0	1,501	0	294	0	294			300
Total supply	266,000	271,411	272,000	270,185	272,000	270,185			280,100
Fresh domestic consumption	26,600	13,110	31,000	2,874	31,000	2,874			10,100
Exports	239,400	214,269	241,000	224,872	241,000	224,872			230,100
For processing	0	44,032	0	42,440	0	42,440			39,900
Withdrawal from market	0	0	0		0				0
Total distribution	266,000	271,411	272,000	270,185	272,000	270,185			280,100
TS = TD									
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